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Growing Alaska Through Responsible Resource Development

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Representative Lynn Gattis State Capitol, Room 420 Juneau, AK 99801

Re: HJR 7, Urging the U.S. Congress to open the Coastal Plain of ANWR to oil and gas exploration, development, and production and relating to renewable and alternative energy technologies

Dear Representative Gattis:

The Resource Development Council for Alaska (RDC) is writing to support HJR 7, which advocates for opening the coastal plain of the Arctic National Wildlife Refuge (ANWR) to oil and gas exploration and development.

RDC is an Alaskan business association comprised of individuals and companies from Alaska's oil and gas, mining, forest products, tourism, and fisheries industries. Our membership includes all of the Alaska Native Regional Corporations, local communities, organized labor, and industry support firms. RDC's purpose is to expand the state's economic base through the responsible development of our natural resources.

RDC has consistently supported opening the "1002 area" of ANWR's coastal plain to oil and gas development. The coastal plain is considered America's best onshore prospect for major oil and gas discoveries.

HJR 7 advocates for the State of Alaska's and, indeed, our nation's interests in recommending the 1002 area be opened to responsible oil and gas development, as was recommended by the Department of Interior and Congress in the 1980s and 1990s.

The 1002 area was excluded from the Wilderness designation in a compromise struck under the Alaska National Interest Lands Conservation Act (ANILCA) over 30 years ago. In exchange, Congress doubled the size of the refuge and designated eight million acres outside the 1002 area as Wilderness. In recognizing the 1002 area's enormous oil and gas potential, Congress mandated a study of the 1002 area's petroleum resources, as well as its wildlife and environmental values. In 1987, the Department of the Interior recommended the 1002 area be opened "to an orderly oil and gas leasing program." A 1987 Environmental Impact Statement (EIS) noted in its summary that impacts from "exploration and development drilling were minor or negligible on all wildlife resources on the 1002 area" and that production would

directly "affect only 0.8 percent of the 1002 area." In 1995, Congress voted to open the area to responsible oil and gas development, but President Bill Clinton vetoed the bill.

According to the Energy Information Administration, ANWR oil and gas development could result in new domestic production ranging from 510,000 to 1.45 million barrels per day for a period extending for approximately 12 years, with additional production for many years following. Such production would save the nation billions of dollars in imported oil while creating thousands of new jobs and generating billions of dollars in new revenues to the federal and Alaska treasuries. It's time we bring these opportunities to American soil where environmental oversight and protection are second to none, and the 1002 area is the most prospective onshore prospect in our country with an estimated 5.7 to 16 billion barrels of technically recoverable oil.

What we need in Alaska is more economic opportunities, and if the 1002 area is opened, not one acre of designated Wilderness would be disturbed by development. With advances in technology significantly diminishing the footprint of development, we do not have to choose between energy production and environmental protection. It is possible to develop the 1002 area's energy reserves while directly utilizing only a fraction of the area. This can be accomplished without significant disturbance to wildlife. In fact, wildlife populations have grown or remained stable in other areas of the North Slope where oil development is already occurring. One example at Prudhoe Bay shows the central arctic caribou population has grown from 5,000 animals in 1970 to more than 66,000 animals today. Development and protection of the environment do co-exist in Alaska and this environmental ethic will continue to be a priority.

In conclusion, the 1002 area of ANWR should be opened up to responsible onshore oil and gas exploration and development. Our national security and Alaska's economy depend on it. Moreover, we can have oil and gas development in a very small area of ANWR while maintaining the special values of the refuge.

With Alaskans consistently and overwhelmingly supporting oil and gas development in the 1002 area, RDC strongly encourages passage of HJR 7.

Sincerely,

Resource Development Council, Inc.

Carl Portman
Deputy Director